



2003 Annual Report of the Environmental Finance Center Network

Region 4 - The University of Louisville

The University of Louisville is one of two EFCs serving EPA's Region 4 states of Kentucky, Tennessee, Mississippi, Alabama, Florida, Georgia, South Carolina, and North Carolina

Introduction

The Louisville EFC broadened its training and technical assistance services relating to brownfield regeneration and planning for more environmentally and economically efficient market-driven human settlements in 2003. In addition to expanding its Practice Guides series of briefing papers for local officials and citizen volunteer committee members, the Center again staffed a booth providing information on the economics of brownfield cleanup and redevelopment at the annual EPA *Brownfields 2003* conference, in Portland, Oregon, November of 2003.

The Louisville EFC also expanded the provision for direct technical assistance with respect to contaminated land revitalization, working with a number of different cities on brownfield

redevelopment, with smart growth planning for area development agencies, with the Environmental Justice Demonstration Project in Spartanburg, South Carolina. The focus was on financial planning and prioritization to maximize private investment potential and reduce need for public funds and donations; and with Region 4 RCRA specialists on ways of providing greater certainty over firms' financial capacity to remediate after completing ongoing operations. These expanded applications of our contaminated land expertise are reflected in our new Working Papers, other staff publications, conference presentations, and conduct of related research and technical assistance projects.

Accomplishments

Practice Guides

The Louisville EFC's Practice Guide series is focused on aspects of land use planning and information system development for promotion of urban infill, brownfield redevelopment and other aspects of smarter urban growth. The series development is ongoing, and is specifically structured to take advantage of research efforts conducted under other auspices by Center personnel. (Authorships below identify Center Staff in **bold** and Center Associates in **bold italics**; note that Dr. Coffin was on staff the first half of 2003 and an associate after that.)

Practice Guides Completed in 2003 and Available On-Line

- *Utilizing Environmental Insurance for Brownfield Redevelopment* (**S.S. Hollis**, **T. Lambert** and **P.B. Meyer**)
- *Dealing with Growth: Alternatives to Large Lot Zoning on the Urban Fringe* (**H.W. VanLandingham**, **S.S. Hollis** and **R.M. Caravona**)

Practice Guides Developed in 2003 now in Preparation for On-Line Posting

- *"Greyfields" -- The New Horizons for Infill and Higher Density Regeneration* (**K.M. Chilton**)
- *Low Population Density and Emergency Response: Accepting Delays or Higher Service Costs* (**T. Lambert**, **P.B. Meyer**, and **G. Higgs**)

Practice Guides Initiated in 2003 and Awaiting Completion

- *Financing Local Public Infrastructure: Determining an Effective Revenue Stream that Supports Local Projects (S. Coffin)*
- *Developing New Uses for Low-to-no-Market Brownfields: The Affordable Housing Solution (S. Coffin)*
- *C&D Debris Recycling for Environmental Protection and Economic Development (N.G. Leigh and L. Patterson)*

Technical Assistance

The Center has also provided direct technical assistance services to clients in Region 4 and elsewhere, and contributed to training and technical assistance provision through a range of other publications and presentations. These dissemination products have drawn on information collection undertaken under the EFC funding, but, in most instances, also have drawn from or built on data gathered and research conducted by Center Staff and Associates. Publications span professional journals, trade press and academic outlets, since all influence policy discussions and can contribute to more effective and cost-efficient environmental finance practice.

While some formally funded activities are listed below, the range of study undertaken that has contributed to the Center's productivity includes extensive efforts funded internally as part of university commitments of faculty time to the conduct of research. The apparent leverage of the EFC funding, therefore, acutely understates its real stimulus on related activity if only the externally supported work is included.

- Coffin, S.L.** Provided background information on the identification of brownfields in Jefferson County, Kentucky to the Kentuckiana Planning and Development Agency, a regional planning agency focusing on planning and development in the Louisville metropolitan region, January-May.
- Coffin, S.L.** Provided policy background on the relationship between brownfields and housing for the Lexington Habitat For Humanity, March.
- Meyer, P.B.** Delivered a presentation on how environmental insurance could contribute to financial assurance in a Region 4 RCRA Directors Conference, Lexington, KY, April.

- Meyer, P.B.** Participated in the Minnowbrook, NY, Rural Development workshops as part of the Public Management and Finance Program operated by the Syracuse (Region 2) EFC in May.
- Meyer, P.B.** Provided briefings on public sector utilization of environmental insurance both to protect government fiscal budgets and to encourage private sector investment on previously contaminated sites at OSWER/Office of Brownfield Cleanup and Redevelopment Workshops on Environmental Insurance for Regulators, for Regions 3 and 4, in Washington, DC, March, and Atlanta, GA, May.
- Lambert, T.** Presented findings on new developments in environmental insurance at the Great Lakes Economic Development Conference in Cleveland, October.
- Lambert, T.** Contributed a session on the limitations of enterprise zones and the local fiscal problems they can cause to the Syracuse University EFC's "Public Management and Finance Program" workshop in Chatauqua, NY, October.
- Meyer, P.B.** Organized two sessions, and presented workshops on environmental insurance to manage long term liability risks on sites with Risk-Based Corrective Actions and on problems facing local governments attempting to acquire environmental insurance for brownfield sites, OSWER/Office of Brownfield Cleanup and Redevelopment *Brownfields 2003*, Portland, OR, October.
- Meyer, P.B.** Organized, chaired and presented in workshop on managing risks over the long term for previously contaminated sites, Business of Brownfields-2003, Pittsburgh, PA, November.
- Meyer, P.B.** Consulted on planning for and organizing, then presented and led a workshop on prioritizing projects and strategically thinking about financing issues for the top priority Region 4 Environment Justice project, Regenesi Planning/Prioritizing Program, Spartanburg, SC, December. (This involvement will also provide access to an area development project site for study as part of our new 5-year Cooperative Agreement with OSWER/.)
- Meyer, P.B.** Participated in two-day peer consultancy in Louisville (supporting visitors from the international Economic Development Council) on the options for redeveloping a Rhodia chemical plant site (after having assisted the city in applying for the grant that is funding current efforts), Louisville, KY,

December. (This involvement also may provide an area development project site for study as part of our new 5-year Cooperative Agreement.)

Publications Released

Coffin, S.L. Closing the Brownfield Information Gap: Some Practical Methods for Identifying Brownfields. *Environmental Practice*. V(1): 34-39.

Meyer, P.B. Brownfields and Red Ink: The Costs of Contaminated (and Idle) Land. *Environmental Practice*. V(1): 40-47.

Coffin, S.L. (under review) Establishing the Brownfields-Housing Connection: Modeling the Effects of Brownfields on Section 8 Households in Cleveland, Ohio. *Housing Policy Debate*.

Leigh, N.G., and S.L. Coffin

(under review) Modeling the Brownfield Relationship to Property Values and Community Revitalization. *Housing Policy Debate*.

Yount, K.R., and P.B. Meyer.

Models of Government-Led Brownfield Insurance Programs. Available at: <http://www.epa.gov/swerosps/bf/pdf/nku2002.pdf>

Yount, K.R. What Are brownfields? Finding a Conceptual Definition. *Environmental Practice*. V(1): 25-33.

Wernstedt, K., P.B. Meyer, and K.R. Yount .

Insuring Redevelopment at Contaminated urban Properties. *Public Works Management & Policy* 8(2): 85-98.

Meyer, P.B. Brownfields and Red Ink: The Costs of Contaminated (and Idle) Land. *Environmental Practice*. V(3): 40-47.

Meyer, P.B., and K.R. Yount.

Financing Redevelopment of Brownfields. Pp. 233-249 in S.B. White, R.D. Bingham and E.W. Hill (Eds.) *Financing Economic Development in the 21st Century*. Armonk, NY: M.E. Sharpe.

Externally-Funded Research Projects Involving EFC Personnel

The EFC at Louisville is imbedded in the University's Center for Environmental Policy and Management (CEPM). Many of the EFC personnel also work part-time on other research projects in CEPM, tying their technical assistance and training functions in the EFC to research and related projects supported with other funds. These projects include:

Urban Regeneration through Environmental Remediation: Valuing Market-Based Incentives for Brownfields Development. Continued work on this two year study for EPA/National Center for Environmental Research with Resources for the Future and the University of Maryland, initiated May 1, 2002. This study looks explicitly at what public incentives are most likely to attract developers to undertake projects on brownfield sites, providing data for more cost-effective redevelopment subsidy practices by both state and local governments. The Urban Land Institute provided us with a culled subset of the mailing list, identifying developers for the survey we administered in late 2003.

Expediting the Environmental Insurance Purchasing Process. Continued work on a two year study for EPA/OSWER/Office of Brownfield Cleanup and Redevelopment with Northern Kentucky University (NKU), initiated October 1, 2002. This study involves following three local governments (one each in Regions 4, 5, and 6), as they attempt to learn about, and work their way through, the complexities of acquiring environmental insurance in conjunction with pursuing their redevelopment efforts involving contaminated land; the cases will then be used to provide guidance on how to expedite the process.

Accelerating Brownfields Cleanup and Redevelopment with Innovative Uses of Environmental Insurance. New five year program of research and technical assistance for EPA/OSWER/Office of Brownfield Cleanup and Redevelopment with Northern Kentucky University, initiated October 1, 2003. This project involves updating information on available insurance products applicable to redevelopment of contaminated sites, monitoring state efforts to ease access to environmental insurance, investigating the potential for pooling certain types of small brownfield sites such as old gas stations to provide access to insurance, promoting an area-based approach in revitalization efforts, and otherwise promoting infill through new risk management approaches that ease access to capital.

New Initiatives Launched

New initiatives launched by the Louisville EFC in 2003 represent efforts to build on the foundation already laid. As noted above, complementary research efforts were undertaken during the year. Those efforts should contribute to technical assistance and training products in 2004 and beyond. Work on new Practice Guides, intended for release by Fall, 2004, was initiated. Center personnel also prepared other publications, both in print and on-line.

International Conference on Local Sustainable Development Efforts

Planning for the 6th International Symposium of the International Urban Planning and the Environment Association (IUPEA) was initiated by the EFC in 2003. The Symposium will be held in Louisville, September, 4-8, 2004, with the overall theme of *Global Pressures on Local Autonomy: Challenges to Urban Planning for Sustainability and Development*. In addition to the EFC and EPA Region 4, the symposium will be hosted by the University, the CEPM, Louisville Metro Government, and the Federal Reserve Bank of Saint Louis, with supporters including the Dutch Environment Ministry, the Kentucky Chapter of the American Planning Association and others. Planning involved university personnel and a range of planning and environment organizations in the Louisville area. The Call for Papers for presentations was issued in October, 2003, with broad world-wide dissemination via the web and internet listservs. (As of early February, 2004, paper proposals had come from practitioners and researchers in 34 different countries, and confirmed plenary speakers included a member of the Board of Governors of the Federal Reserve, an a Deputy Assistant Secretary from HUD, in addition to local dignitaries.)

Practice Guides in Process as of Late 2003

- “Stimulating Revitalization of Contaminated Lands – Assessing Alternative Incentives to Developers”
- “Identifying Land Use Spatial Change in Your Community
- “Typologies of Sprawl: What is it, how do we define it, and how do we tailor responses?”

New Dissemination Efforts

Sarah Hollis, EFC Analyst, made initial contacts with, and developed a database of, Region 4 state and local planners and League of Cities/League of Municipalities officials who may be interested in using our guides as part of their training programs. This information will be used for publicity about the Practice Guide series to be disseminated in early 2004.

Publications in Process

Meyer, P.B. Introducing Environmental Factors into the Land Cost - Transportation Cost Tradeoff Logic: A Critical Step Toward Sustainable Urban Planning (In preparation for submission to *Journal of Environmental Planning and Management*.)

Meyer, P.B., and S.L. Coffin.

Approaches to Brownfield Regeneration: the Relative Value of Financial Incentives, Relaxed Mitigation Standards and Regulatory Certainty. (In preparation for submission to *Land Economics*.)

New Initiatives for 2004

Initiatives for 2004 undertaken by the EFC in 2003 included planning for a number of new Practice Guides, intended to take advantage of information garnered in the course of study efforts and other data collection during the year. A number of other potential publications were prepared and submitted for review. Training and technical assistance provision for 2004 was not scheduled in 2003, largely because such activity is generally low early in the calendar year, and the efforts generally have substantial lead times.

New Practice Guides

- “RCRA Financial Assurance – Issues in Determining Real Mitigation Costs and Avoiding New Brownfields”
- “Contaminated Properties in Communities – Regulations, Problems and Solution Resources”
- “State Approaches to Liability Relief and Risk Management for Contaminated Land Redevelopers”

Working Papers in Process

- “Land Re-use and Residual Contamination: Lessons from US Efforts at 'Risk-Based Corrective Action' ”
- “The Brownfields Cleanup Conundrum: Trading Off Current Mitigation Costs for Longer Term Monitoring, Liability and Further Requirement Risks”
- “Looking Backwards, Looking Forwards: Economic Rationales for – and Implications of – The 2001 Changes in U.S. Law Governing Brownfield Reclamation”
- “In Search of Good Data: Problems in gathering useful information about redevelopment projects or ‘Where have all the developers gone?’ “

Special Projects

In addition to its main information generation/dissemination activities with respect to environmental finance and planning for the uses of land in and around urban areas, the Louisville EFC undertook or launched a number of special projects in 2003 that are not described above:

- Provided “Technical Assistance with Public Sector Brownfields Insurance Acquisition,” an activity that will continue through August, 2004, to three localities, including one in Region 4, complementing the national research project on “Expediting Public Sector Acquisition of Brownfields Insurance.”
- Initiated work on a US Department of Education-funded environmental education and management project, "Partnerships for a Green City." This project involves the University of Louisville, Jefferson County (KY) Public Schools and Louisville Metro Government in a problem-solving and project-planning collaborative consultation to:
 - Develop recommendations for a comprehensive environmental education program for JCPS and the community;
 - Identify research areas that assess children's exposure to environmental pollutants, health outcomes, and impacts on cognitive abilities and behavior; and,
 - Identify approaches for the partners to create sustainable and environmentally friendly buildings and infrastructure (e.g. schools, public buildings, roads, water systems).

EFC Network Collaborations

As an active member of the Environmental Finance Center Network, the Louisville EFC participated in the preparation of proposals for funding of different network-wide environmental finance projects. The Center also initiated efforts at the preparation of a collaborative network project on aspects of environmental finance for brownfield redevelopment, drawing on the collective experience of different centers across the nation. Dr. Peter Meyer, EFC Director, continued in his role as an officer of the EFCN, becoming Vice President at the March Directors meeting in Washington, DC, and attending meetings with EFCN colleagues at the EFAB Summer meeting in San Francisco (August) and the EFCN Fall meeting in Portland, ME (October).

Under its general mission with respect to supporting brownfields revitalization, the Louisville EFC anchored a display booth for the EFCN at Brownfields 2003, the annual EPA-hosted conference on brownfield reclamation and redevelopment, held in Portland, OR, in November. Co-sponsors of the booth were the EFCs from Regions 2 (Syracuse), 3

(Maryland), 5 (Cleveland State) and 10 (Boise State). Network members' informational materials, including the EFCN brochure, were handed out or displayed and available on request. Inquiries about Network and Center services were collected and passed on to other EFCs after the conference.

Utilizing the 'free' resource provided by doctoral students assigned to the Center for Environmental Policy and Management (CEPM), the Louisville EFC will actively participate in the problem analysis phases of the two EFAB workgroups on which Dr. Meyer serves, that on "Innovative Financing Tools" and that on "Preventing Future Non-Funded Abandoned Sites." While the EFAB serves as an advisory body to the EPA itself, many of its deliberations, insights, and findings, may be very valuable to state and local environmental policy-makers and regulators. The Louisville EFC, by actively participating in the EFAB's efforts, thus obtains guidance and information that can be used in development of more Practice Guides for our state and local clients.

2003 Presentations - Conferences - Meetings (EFC staff activities only)

Presentations, whether to academics active in providing policy advice or to practitioners engaged in policy formulation and implementation, are frequently the most immediate and rapid means of communicating new findings and knowledge to improve practice. Moreover, participation in conferences in which information is exchanged constitutes one method by which the Center staff acquires new information and case study data that contribute to our guidance dissemination. The Louisville EFC thus takes care to maintain a high level of activity in this key information dissemination arena. Presentations to academic gatherings are limited to those organizations whose attendees have strong interest in, and thus study and report on public policy practices that can inform environmental finance policies and procedures. International conferences are exceptionally valuable in this regard, since they offer ideas for innovation that are not available in a purely US exchange. The Center's presentation activities in 2003 included the following, all of which facilitated conference participation and information acquisition by the staff involved.

- Meyer, P.B., "Looking Backwards, Looking Forwards: Economic Rationales for – and Implications of – Changes in the New 2001 U.S. Law Governing Brownfield Reclamation." Conference on "Brownfields as Opportunities for Sustainable Development," Istituto Universitario di Architettura di Venezia, Venice, IT, Jan-Feb, 2003.
- Coffin S.L., T. Rockaway, and R. Navalekar. "Financing Local Public Infrastructure: Determining an Effective Revenue Stream that Supports Local Projects." Urban Affairs Association Meetings, Cleveland, OH, March, 2003.

- Heberle, L., and P.B. Meyer, "In Search of Good Data: Problems in gathering useful information about re-development projects or 'Where have all the developers gone?'" Urban Affairs Association Meetings, Cleveland, OH, March, 2003.
- Higgs, G.V., and P.B. Meyer, "Urban Sprawl and Its Effects on the Availability and Response Times of Public Services (Police, Fire, and Emergency Medical Services)." Urban Affairs Association Meetings, Cleveland, OH, March, 2003.
- Meyer, P.B., "Land Re-use and Residual Contamination: Lessons from US Efforts at 'Risk-Based Corrective Action'." Joint ACSP-AESOP Conference, Leuven, Belgium, July, 2003.
- Meyer, P.B. "The Brownfields Cleanup Conundrum: Trading Off Current Mitigation Costs for Longer Term Monitoring, Liability and Further Requirement Risks." Conference on *The Future of De-industrialising Regions: Planning for Urban and Regional Transformation*, University of Dortmund, Regional Planning Institute, Dortmund, Germany, July, 2003.